THE LIABILITY OF THE SURE, NDER THE TRANSITIONAL SURETY BOND SHALL BE CONSIDERED AS HAVING TERMINATED AS OF THE EFFECTIVE DATE OF THIS REPLACEMENT SURETY BOND.

FORM MR-SUR

May 24, 2006

Bond Number 1 Surety NAIC No. \_\_\_\_\_ Permit Number M035020 Mine Name Lakeview Quarry

## ATTACHMENT A

RECEIVED FEB 2 8 2007 To RECLAMATION CONTRACT BETWEEN PRINCIPAL AND DIVISION

DIV. OF OIL, GAS & MINING

Contract.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291.
Fax: (801) 359-3940

1 APPROVID

## THE UTAH MINED LAND RECLAMATION ACT

SURETYBOND

	The undersigned	LAKEVIEW ROCK PRO	ODUCTS, INC.	, as F	Principal,	
a	Corporation	organ	nized under the	laws of the State of _	Utah and	
T <u>rave</u>	lers Casualty and Su	rety Company of A	merica , as Su	cety, a Corporation		
orga	unized under the laws	of the State of _C	onnecticut ,	hereby jointly and se	verally bind ourselves,	
our	heirs, administrators	, executors, succes	sors, and assig	ns, jointly and several	lly, unto the State of	
Utal	h, Division of Oil, G	as and Mining ("D	ivision") and_			
(oth	(other agency, if any) in the penal sum of Three Hundred Sixty Three Thousand One Hundred and No/100					
	ars (\$ 363,100.00					
This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be affected by mining operations as identified in the Notice of Intention received, or approved if applicable, by the Division on the 21 day of April 2053.						
				the Lands Affected 1	-	
	operations as def	ined and described	in the above l	Notice, and the Minin	g and	

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Plan or

Reclamation Plan if required, subject to terms and conditions of the Reclamation

JAN 0 3 2007

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Bond Number \_\_\_\_\_\_Surety NAIC Nc
Permit Number M035020
Mine Name Lakeview Quarry

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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Bond Number		
Surety NAIC N	Jo	
Permit Number		
Mine Name	Lakeview	Quarry

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

LAKEVIEW ROCK PRODUCTS, INC.  Principal (Permittee)	APPROVE.
By (Name and Title Typed): Signature	November 1, 2006  Date
Surety Company  TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	1100 East 6600 So., Suite 400
Surety Company Name	Street Address
Stirling S. Broadhead	Salt Lake City, Utah 84121
Surety Company Officer	City, State, Zip
Attorney-In-Fact	(801) 288-1600
Title/Position	Phone Number
Austr	November 1, 2006
Signature ()	Date

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Surety NAIC No. \_\_\_\_\_
Permit Number M035020
Mine Name Lakeview Quarry

SO AGREED this <u>lst</u> day of <u>November</u>, 20 <u>06</u>.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

MPPRÜ ...)

John R. Baza, Director

Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

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Bond Number	<u> </u>	
Surety NAIC	No	
Permit Number M035020		
	Lakeview Quarry	

## AFFIDAVIT OF QUALIFICATION

On the 1st day of November, 2	00 06, Stirling S. Broadhead			
personally appeared before me, who being by me d	uly sworn did say that he/she, the said			
Stirling S. Broadhead is the	e Attorney-In-Fact of			
TRAVELERS CASUALTY OF AMERICA and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said  Stirling S. Broadhead duly acknowledged to me that said company executed the same, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.				
	Signed: Surety Officer			
	Title: Stirling S. Broadhead			
STATE OF Utah ) ss:  COUNTY OF Salt Lake )				
Subscribed and sworn to before me this <u>lst</u> day	Notary Public Residing at: Salt Lake City, Utah			
My Commission Expires:  July 5 20 10	CANDIS P. ROBBINS  NOTARY PUBLIC • STATE of UTAH  1100 East 6600 South Suite 400  Salt Lake City, UT 84121-7418  MY COMMISSION EXPIRES: 07-05-2010			



## POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company St. Paul Mercury Insurance Company Travelers Casualty and Surety Company Travelers Casualty and Surety Company of America United States Fidelity and Guaranty Company

Marie C. Tetreault, Notary Public

Attorney-In Fact No. 21	4562		Certificate No.	• 17.
Fire and Marine Insurance Co- of the State of Minnesota, that corporations duly organized u laws of the State of Maryland, Guaranty Insurance Underwrit the Companies do hereby make	SE PRESENTS: That Seaboard Sure impany, St. Paul Guardian Insurance Cut Farmington Casualty Company, Trainder the laws of the State of Connect, that Fidelity and Guaranty Insurance ters, Inc. is a corporation duly organize, constitute and appoint  Broadhead, Joseph A. Beykirc	Company and St. Paul Mercury I velers Casualty and Surety Comcicut, that United States Fidelity Company is a corporation duly ded under the laws of the State of	nsurance Company are corporationally and Travelers Casualty and and Guaranty Company is a colorganized under the laws of the Soft Wisconsin (herein collectively	ions duly organized under the laws d Surety Company of America are rporation duly organized under the State of Iowa, and that Fidelity and
each in their separate capacity other writings obligatory in th	e City, St if more than one is named above, to see nature thereof on behalf of the Con aranteeing bonds and undertakings req	sign, execute, seal and acknowled mpanies in their business of gua	dge any and all bonds, recogniza tranteeing the fidelity of persons	s, guaranteeing the performance of
	, s.		. *	
IN WITNESS WHEREOF, t	the Companies have caused this instru 2006	ment to be signed and their corp	porate seals to be hereto affixed,	this
	Farmington Casualty Compan Fidelity and Guaranty Insuran Fidelity and Guaranty Insuran Seaboard Surety Company St. Paul Fire and Marine Insur	ice Company ice Underwriters, Inc.	St. Paul Guardian Insuran St. Paul Mercury Insurand Travelers Casualty and Su Travelers Casualty and Su United States Fidelity and	ce Company rety Company rety Company of America
1932	MCORPORATED 1927	SEAL S	SEAL S	T896
State of Connecticut City of Hartford ss.		Ву: _	George Wellompson, S	enior Vice President
Inc., Seaboard Surety Company Casualty and Surety Company	day ofFebruary President of Farmington Casualty Conny, St. Paul Fire and Marine Insurance y, Travelers Casualty and Surety Conthe foregoing instrument for the purpose	mpany, Fidelity and Guaranty I Company, St. Paul Guardian In npany of America, and United S	nsurance Company, Fidelity and surance Company, St. Paul Merc states Fidelity and Guaranty Cor	eury Insurance Company, Travelers mpany, and that he, as such, being
In Witness Whereof, I hereur	nto set my hand and official seal.	EC. TETRO	Marie	c. Titreault

58440-9-05 Printed in U.S.A.

My Commission expires the 30th day of June, 2006.